



2011 MEMORANDUM OF AGREEMENT BETWEEN THE ALLIANCE OF MOTION PICTURE AND TELEVISION PRODUCERS AND THE SCREEN ACTORS GUILD

This Memorandum of Agreement is entered into between the Screen Actors Guild, Inc. (hereinafter referred to as "SAG," "the Union" or "the Guild"), on the one hand, and the Alliance of Motion Picture & Television Producers (hereinafter "the Alliance" or "the AMPTP"), on behalf of the Producers listed on Exhibit A attached (each hereinafter respectively referred to as "the Producer" and collectively referred to as "the Producers"), on the other hand.

This Memorandum of Agreement reflects the complete understanding reached between the parties. The language in this Memorandum of Agreement is not contract language, except where the context clearly indicates otherwise. Where contract language is indicated, generally by quotes, new text is underlined and deletions are lined through. In the event of any conflict between the terms of this Memorandum and the contract language, the contract language is controlling.

The provisions of this Memorandum of Agreement represent modifications to the current Agreements between these parties - *i.e.*, the unexecuted drafts of the Producer-Screen Actors Guild Codified Basic Agreement of 2009 and the 2009 Screen Actors Guild Television Agreement. Except as modified herein, the terms of the current Agreements between these parties shall remain the same, subject to conforming changes. Wherever reference in this Memorandum of Agreement is made to "Schedules," such reference shall mean the Schedules appended to the Codified Basic Agreement.

The appropriate provisions herein shall be incorporated in the Producer-Screen Actors Guild Codified Basic Agreement of 2011 and the 2011 Screen Actors Guild Television Agreement. The provisions herein shall be effective as of the dates hereinafter set forth and, when not expressly noted, shall be effective as of July 1, 2011.

1. Term

The term of the Producer – Screen Actors Guild Codified Basic Agreement of 2011 and the 2011 Screen Actors Guild Television Agreement shall be for three (3) years, commencing on July 1, 2011 and terminating on June 30, 2014.

Amend Section 36 of the General Provisions of the SAG Codified Basic Agreement to read as follows:

"36. TERM AND EFFECTIVE DATE

"A. The term of this Agreement shall commence on ~~June 10, 2009~~ July 1, 2011 and shall terminate on June 30, ~~2011~~ 2014, but continue thereafter until terminated by either party on at least sixty (60) days written notice.

"B. This Agreement is intended as a codification of: (1) the Producer-Screen Actors Guild Codified Basic Agreement of ~~2005~~ 2009 and (2) the ~~2009~~ 2011 Memorandum of Agreement Between the Alliance of Motion Picture and Television Producers and Screen Actors Guild for Successor Agreements to the Producer-Screen Actors Guild Codified Basic Agreement of ~~2005~~ 2009 and the ~~2005~~ 2009 Screen Actors Guild Television Agreement. Services rendered under previous Agreements, and motion pictures subject to those respective Agreements, shall be governed by such Agreements, respectively.

"C. The effective date of this Agreement shall be ~~June 10, 2009~~ July 1, 2011. Except as specifically otherwise provided, the provisions hereof relating to wage increases and working conditions shall be effective on and after ~~June 10, 2009~~ July 1, 2011, and shall apply to services rendered on and after such date under existing contracts of employment and contracts of

employment entered into on or after said date, and to motion pictures whose principal photography commenced after such effective date.

~~D. The parties commit to commence negotiations for a successor to this Agreement beginning no later than October 1, 2010 and continuing through November 15, 2010. It is understood and agreed that neither party shall be obligated to reach an agreement during said time period; however, all parties agree to conduct such negotiations in good faith with the intent of reaching agreement.~~

Amend Section 52 of the Television Agreement to read as follows:

"52. TERM AND EFFECTIVE DATE

"The term of this Agreement shall be for a period commencing ~~June 10, 2009~~ July 1, 2011 and expiring June 30, ~~2011~~ 2014, but continue thereafter until terminated by either party on at least sixty (60) days' written notice.

"The effective date of this Agreement shall be ~~June 10, 2009~~ July 1, 2011. Except as specifically otherwise provided, the provisions hereof relating to wage increases and working conditions shall be effective on and after said date, and shall apply to services rendered on and after such date under existing contracts of employment and contracts of employment entered into on or after said date, and to motion pictures whose principal photography commenced after such effective date.

~~"The parties commit to commence negotiations for a successor agreement to this Agreement beginning no later than October 1, 2010 and continuing through November 15, 2010. It is understood and agreed that neither party shall be obligated to reach an agreement during said time period; however, all parties agree to conduct such negotiations in good faith with the intent of reaching agreement."~~

2. Minimum Wage Rates

Increase minimum wage rates for all motion pictures by two percent (2%) effective July 1, 2011, by an additional two percent (2%) effective July 1, 2012, and by an additional two percent (2%) effective July 1, 2013. These increases shall be compounded. The foregoing does not apply to the network prime time residual ceilings.

3. Pension and Health

Except as provided in Item 4 below for programs covered under Sideletter K, increase the contribution rates to the Producer-Screen Actors Guild Pension and Health Plans by one and one-half percent (1.5%) for motion pictures, the principal photography of which commence on or after July 1, 2011, to a total of sixteen and one-half percent (16.5%). The increased contribution rate shall be allocated as follows: one percent (1%) to the Producer-Screen Actors Guild Pension Plan and one-half percent (0.5%) to the Producer-Screen Actors Guild Health Plan.

Notwithstanding the foregoing, the contribution rate shall remain at thirteen and one-half percent (13.5%) under Section 5.2.A. of the General Provisions of the SAG Codified Basic Agreement solely in connection with Supplemental Market payments for distribution on "cassettes."

The following changes to the contract language are intended to reflect the foregoing (see Item 4 below for changes to Sideletter K):

- a. *Modify the first two paragraphs of Section 34.A. of the SAG Codified Basic Agreement to read as follows:*

"34. PENSION AND HEALTH PLANS

"A. The Producer-Screen Actors Guild Pension and Health Plans, established in 1960, shall be funded by contributions made by Producers under SAG collective bargaining agreements providing for such payments to the Plans. With respect to employment covered hereunder on motion pictures, the principal photography of which commences on or after ~~June 10, 2009~~ July 1, 2011, Producer shall pay to said Plans contributions in an amount equal to ~~fifteen~~ sixteen and one-half percent (15.5%) of all gross compensation, as and when paid by Producer to all employees covered hereunder.

"The aforementioned ~~fifteen~~ sixteen and one-half percent (15.5%) shall be allocated seven and thirty-one hundredths percent (7.31%) of contributions to the Health Plan and nine and nineteen-hundredths percent (9.19%) of contributions to the Pension Plan effective July 1, 2011, as follows: ~~For the period June 10, 2009 through December 31, 2009, nine and one-quarter percent (9.25%) of the contributions to the Health Plan and five and three-quarters percent (5.75%) of the contributions to the Pension Plan; effective January 1, 2010, seven and one-half percent (7.5%) of the contributions to the Health Plan and seven and one-half percent (7.5%) of the contributions to the Pension Plan.~~ The allocation of such ~~fifteen~~ sixteen and one-half percent (15.5%) contribution rate between the Health Plan and Pension Plan may be changed at any time during the term hereof by the Boards of Trustees of the Pension Plan and the Health Plan, based on actuarial studies."

- b. *Modify the first four paragraphs of Section 22(a) of the SAG Television Agreement to read as follows:*

"22. PENSION AND HEALTH PLANS

"(a) Percentage Contributions

"Producer and the Union are parties to the "Screen Actors Guild – Producers Pension Plan for Motion Picture Actors," and the "Screen Actors Guild – Producers Health Plan for Motion Picture Actors," hereinafter for convenience referred to as the "Pension Plan" and "Health Plan," respectively, and together as the "Pension and Health Plans." With respect to employment covered hereunder on television motion pictures, the principal photography of which commence on or after ~~June 10, 2009~~ July 1, 2011, Producer agrees to contribute to the Plans amounts equal to ~~fifteen~~ sixteen and one-half percent (15.5%) of all gross compensation as and when paid by Producer to all performers for services covered by and subject to this Agreement in television motion pictures, but not in excess of the money ceilings as provided below. Notwithstanding the foregoing, the contribution rate to the Plans shall remain at thirteen and one-half percent (13.5%) in connection with: (1) employment ~~on~~ during the first two (2) seasons of any new one (1) hour series, the pilot or presentation for which commenced principal photography prior to July 1, 2011 ~~television motion pictures covered under Sideletter K of this the 2009 Agreement, and (2) Supplemental Markets payments for the distribution on "cassettes," as that term is defined in Section 5.2 of the Codified Basic Agreement, of any television motion picture, the principal photography of which commences on or after June 10, 2009~~ July 1, 2011. In addition, the contribution rate to the Plans shall be fifteen percent (15%) in connection with employment under Sideletter K of this Agreement on a pilot or a presentation which commences principal photography on or after July 1, 2011 or in connection with employment under Sideletter K of this Agreement during the first two (2) seasons of any new one (1) hour series first exhibited on or after July 1, 2011, the pilot or presentation for which commenced principal photography on or after July 1, 2011.

~~"The aforementioned fifteen sixteen and one-half percent (1516.5%) shall be allocated seven and thirty-one hundredths percent (7.31%) of contributions to the Health Plan and nine and nineteen-hundredths percent (9.19%) of contributions to the Pension Plan effective July 1, 2011, as follows: For the period June 10, 2009 through December 31, 2009, nine and one-quarter percent (9.25%) of the contributions to the Health Plan and five and three-quarters percent (5.75%) of the contributions to the Pension Plan; effective January 1, 2010, seven and three-quarters percent (7.75%) of the contributions to the Health Plan and seven and one-quarter percent (7.25%) of the contributions to the Pension Plan.~~

~~"The aforementioned thirteen and one-half percent (13.5%) shall be allocated five and eighty-one hundredths percent (5.81%) of contributions to the Health Plan and seven and sixty-nine hundredths percent (7.69%) of contributions to the Pension Plan effective July 1, 2011, as follows: For the period June 10, 2009 through December 31, 2009, eight and one-quarter percent (8.25%) of the contributions to the Health Plan and five and one-quarter percent (5.25%) to the Pension Plan; effective January 1, 2010, six and three-quarters percent (6.75%) of the contributions to the Health Plan and six and three-quarters percent (6.75%) of the contributions to the Pension Plan.~~

~~"The aforementioned fifteen percent (15%) shall be allocated six and thirty-one hundredths percent (6.31%) of contributions to the Health Plan and eight and sixty-nine hundredths percent (8.69%) of contributions to the Pension Plan effective July 1, 2011.~~

~~"The allocation of such fifteen sixteen and one-half percent (1516.5%), fifteen percent (15%) or thirteen and one-half percent (13.5%) between the Plans may be changed at any time during the term hereof by the Boards of Trustees of the Pension Plan and the Health Plan, based on actuarial studies."~~

4. **Sideletter K**

The parties agree to revise Sideletter K to read as follows:

As of July 1, 2005
Revised as of June 10, 2009
Revised as of July 1, 2011

David White
National Executive Director
Screen Actors Guild, Inc.
5757 Wilshire Boulevard
Los Angeles, California 90036-3600

Re: Special Conditions for Pilots, Presentations and New Series

Dear David:

During the negotiations for the ~~2009~~ 2011 Screen Actors Guild Television Agreement, the parties agreed that the following special conditions shall apply to pilots ~~or~~, presentations ~~produced on or~~

~~after June 10, 2009 and to the first two (2) seasons of any new one (1) hour television series¹ first exhibited on or after June 10, 2009 as provided below:~~

a. Pension and Health Contributions Rates

(1) Effective July 1, 2011, the pension and health contribution rate for all performers and background actors employed during the first two (2) seasons of any new one (1) hour series, the pilot or presentation for which commenced principal photography prior to July 1, 2011, shall be set at thirteen and one-half percent (13.5%) of compensation.

(2) The pension and health contribution rate for all performers and background actors employed on a pilot or a presentation which commences principal photography on or after July 1, 2011, or during the first two (2) seasons of any new one (1) hour series, the pilot or presentation for which commenced principal photography on or after July 1, 2011, and which series is first exhibited on or after July 1, 2011, shall be set at fifteen percent (15%) of compensation.

b. IACF Contributions

~~Producer shall not be obligated to make any percentage payment to the Industry Advancement and Cooperative Fund on behalf of performers employed on such television motion pictures.~~ (1) during the first two (2) seasons of any new one (1) hour series, the pilot or presentation for which commenced principal photography prior to July 1, 2011; (2) on a pilot or a presentation which commences principal photography on or after July 1, 2011; or (3) during the first two (2) seasons of any new one (1) hour series first exhibited on or after July 1, 2011, the pilot or presentation for which commenced principal photography on or after July 1, 2011.

~~Unless renewed by the parties, this sideletter shall automatically terminate upon expiration of the 2009 Screen Actors Guild Television Agreement.~~

Very truly yours,

On behalf of the respective signatory companies represented by the
ALLIANCE OF MOTION PICTURE & TELEVISION PRODUCERS, INC.

By: _____
Carol A. Lombardini
President

ACCEPTED AND AGREED:

SCREEN ACTORS GUILD, INC.

By: _____
David White
National Executive Director

¹ For this purpose, a one-hour series shall be considered "new" if it is initially exhibited in the ~~2009-10 2011-12~~ television season, regardless of the fact that a pilot or one (1) or more episodes of the series may have commenced principal photography ~~been produced~~ prior to ~~June 10, 2009~~ July 1, 2011 under the ~~2005-2009 SAG Television Agreement, Exhibit A of the 2001, 2004 or 2008 AFTRA Network Code, or the WB/UPN-The CW Supplement to the 2001, 2004 or 2008 AFTRA Network Code.~~

5. Money Breaks

Increase the money break figure for the advance payment of residuals in Section 18(d)(2) of the SAG Television Agreement for network prime time reruns from \$7,000 per week or per episode to \$8,000 per week or per episode for one-half hour programs and from \$10,000 per week or per episode to \$11,000 per week or per episode for one hour programs with respect to contracts entered into with performers on and after July 1, 2011.

Increase the money break figure for the advance payment of residuals in Section 18(d)(3) of the SAG Television Agreement for all other residual purposes from \$7,000 per week or per episode to \$8,000 per week or per episode with respect to contracts entered into with performers on and after July 1, 2011.

Increase the trailer money break figure in Section 35(d) of the SAG Television Agreement from \$3,000 or more per week to \$3,250 or more per week with respect to contracts with performers entered into on or after July 1, 2011.

6. Schedule Breaks

Modify Section 11.A. of the General Provisions of the SAG Codified Basic Agreement to read as follows:

"A. There are attached hereto and made a part of this collective bargaining agreement the following Schedules of wage scales and working conditions:

"Schedule A -- Day performers.

"Schedule B -- Television freelance performers whose weekly guaranteed salary is ~~\$4,800~~ ~~\$4,400~~ or less per week (~~\$4,650 or less per week for contracts entered into on or after June 10, 2010~~) and who are guaranteed less than \$32,000 per television picture and theatrical freelance performers whose weekly guaranteed salary is ~~\$6,200~~ ~~\$5,500~~ or less per week (~~\$6,000 or less per week for contracts entered into on or after June 10, 2010~~) and who are guaranteed less than \$65,000 per theatrical picture.

"Schedule C -- Television freelance performers whose weekly guaranteed salary is more than ~~\$4,800~~ ~~\$4,400~~ per week (~~more than \$4,650 per week for contracts entered into on or after June 10, 2010~~) and who are guaranteed less than \$32,000 per television picture and theatrical freelance performers whose weekly guaranteed salary is more than ~~\$6,200~~ ~~\$5,500~~ per week (~~more than \$6,000 per week for contracts entered into on or after June 10, 2010~~) and who are guaranteed less than \$65,000 per theatrical picture.

"Schedule D -- Television multiple picture performers receiving ~~\$4,650~~ ~~\$4,400~~ or less per week and guaranteed less than \$32,000 per television picture and theatrical motion picture performers receiving ~~\$6,000~~ ~~\$5,500~~ or less per week and guaranteed less than \$65,000 per theatrical picture.

"Schedule E -- Television contract performers whose weekly guaranteed salary is ~~\$4,650~~ ~~\$4,400~~ or less per week and theatrical contract performers whose weekly guaranteed salary is ~~\$6,000~~ ~~\$5,500~~ or less per week.

"Schedule F -- Television contract performers whose weekly guaranteed salary is in excess of ~~\$4,650~~ ~~\$4,400~~ per week and theatrical contract performers whose weekly guaranteed salary is in excess of ~~\$6,000~~ ~~\$5,500~~ per week; television multiple picture performers receiving more than ~~\$4,650~~ ~~\$4,400~~ per week or who are guaranteed \$32,000 or more per television picture; theatrical multiple picture performers receiving more than ~~\$6,000~~ ~~\$5,500~~ per week or who are guaranteed \$60,000 or more per theatrical picture; performers employed under television "deal

contracts," or otherwise, who are guaranteed \$32,000 or more per television picture; performers employed under theatrical "deal contracts," or otherwise, who are guaranteed \$65,000 or more per theatrical picture; performers employed in multi-part closed-end pictures receiving more than ~~\$4,650~~~~\$4,250~~ per week and who are guaranteed \$40,000 or more for the multi-part picture.

"Schedule G-I -- Professional singers employed by the day.

"Schedule G-II -- Professional singers employed by the week on television at ~~\$4,650~~~~\$4,400~~ or less per week and professional singers employed by the week on theatrical productions at ~~\$6,000~~~~\$5,500~~ or less per week.

"Schedule H, Part I -- Stunt performers employed by the day.

"Schedule H, Part II -- Stunt performers employed by the week on television at ~~\$4,650~~~~\$4,400~~ or less per week and stunt performers employed by the week on theatrical productions ~~\$6,000~~~~\$5,500~~ or less per week.

"Schedule H, Part III -- Stunt performers employed by the week on television at more than ~~\$4,650~~~~\$4,400~~ per week and stunt performers employed by the week on theatrical productions at more than ~~\$6,000~~~~\$5,500~~ per week.

"Schedule I -- Airplane pilots.

"Schedule J -- Dancers.

"Schedule K, Part I - Stunt coordinators employed by the day at less than the "flat deal" minimum.

"Schedule K, Part II - Stunt coordinators employed by the week at less than the "flat deal" minimum.

"Schedule K, Part III - Stunt coordinators employed under "flat deal" contracts.

"Schedule X, Part I -- Background actors employed in the Los Angeles, San Diego, San Francisco, Las Vegas, Hawaii and Sacramento Zones.

"Schedule X, Part II -- Background actors employed in the New York Zone.

"The salary Schedule under which a performer is originally employed shall not be changed merely because a change occurs in the money break tests of the salary Schedules during such performer's employment.

"Individual employment contracts, entered into under a preceding collective bargaining agreement, which continue during the term of this Agreement, shall be subject to the Schedules of Wage Scales under said preceding collective bargaining agreement."

7. Major Role Performer

Modify the first paragraph of Section 2(c) of the SAG Television Agreement to read:

"(c) Notwithstanding the provisions of subparagraphs (a) and (b) above, the following shall apply to "major role" performers, as defined below, employed in an episode of a one-half hour or one-hour network prime time television series, ~~or in an episode of a one-half hour or one-hour television series produced for broadcast in prime time on The CW,~~ or in an episode of a new

one-half hour or one-hour scripted, dramatic television series first produced on or after July 1, 2011 for exhibition in prime time on pay television and which is in its second or subsequent season."

8. SAG Sideletter Re Programs Made for New Media

- a. *Modify the definition of "covered performer" in Paragraph C. of the Sideletter re Programs Made for New Media attached in the SAG Codified Basic Agreement and the SAG Television Agreement to read as follows:*

"A 'covered performer' is an individual who has been employed pursuant to the terms of a collective bargaining agreement covering his or her employment as a performer and who meets any of the following criteria:

- has at least two (2) television (including free television, pay television, basic cable or direct-to-video) or theatrical credits;
- has at least two (2) credits in a professional stage play presented on Broadway, off Broadway (as that term is understood in the live theater industry), under the LORT, COST or CORST contracts or as part of an Equity national tour;
- has been employed as a performer on an audio book;
- has been employed as a principal performer, announcer, singer or dancer in a national television or radio commercial, interactive game or non-broadcast/ industrial production; or
- has been employed as a principal performer pursuant to the terms of a SAG or AFTRA contract and is employed as a principal performer on the New Media production."

- b. *Revise Paragraph F. of the Sideletter Re Programs Made for New Media in the SAG Codified Basic Agreement and the SAG Television Agreement to provide as follows:*

"F. Payments

"1. All payments hereunder made as a percentage of "Distributor's gross" are aggregate payments for all performers who have traditionally been entitled to receive residuals under the Codified Basic Agreement or the Television Agreement, as applicable.

"2. All payments of additional compensation for the reuse of programs made for New Media shall be made by check, payable to the order of the performer entitled thereto, and if not initially paid to the performer, shall be delivered to Screen Actors Guild for forwarding to such performer and compliance herewith shall constitute payment to the performer. Upon such delivery, Producer shall have no further obligation with respect to such payment nor shall Producer have any right, title or interest in or to such payment. The Producer shall accompany such checks with a statement of the title of the production and the use for which such payment is made."

- c. *Add the following new Paragraphs G. and H. to the Sideletter Re Programs Made for New Media in the SAG Codified Basic Agreement and the SAG Television Agreement (and reletter existing Paragraphs G. and H. to Paragraphs I. and J.):*

"G. As soon as practicable for each production made for New Media, Producer shall furnish a notice containing the following information to a designated representative of the Union:

- the name, address and telephone number of the production company;
- the working title of the production; and
- the principal location at which photography is scheduled to occur.

"Both the Union and the Producer shall designate a representative for the other party to contact in the event of questions concerning the foregoing.

"H. Where practicable, Producer shall comply with Sections 45(a) through (f) of Schedule X, Part I of the SAG Codified Basic Agreement and Sections 46.A. through 46.F. of Schedule X, Part II of the SAG Codified Basic Agreement, taking into account the nature of the location and the logistics of the production. This provision is not subject to grievance or arbitration.

9. Transportation After Night Work

Amend Section 35 of Schedule X, Part II of the SAG Codified Basic Agreement to read as follows:

"35. TRANSPORTATION AFTER NIGHT WORK

"Any background actor required to work at night and not dismissed by 9:30 p.m. will be provided transportation by the Producer to the original pick-up point and to one of three drop-off points selected by the Producer (namely, Grand Central Station, Penn Station or Port Authority), unless the place of dismissal is within a zone bordered by 34th Street on the south, 57th Street on the north and 3rd Avenue and 8th Avenue on the east and west, respectively. Work time for all background actors shall end at the first drop-off point, regardless of the point at which the background actor is actually dropped off.

"When background actors are required to work at night and are not dismissed in time to permit their return to their homes by public service transportation, transportation must be provided by the Producer."

10. Background Actors

Modify paragraphs (1) and (2) of Section 1(c) of Schedule X, Part I of the SAG Codified Basic Agreement to provide:

"(c) The terms and conditions of this Schedule X, Part I shall apply:

"(1) to the first ~~twenty (20)~~ twenty-one (21) background actors (excluding swimmers, skaters and dancers, but including stand-ins¹) employed each day on each television motion picture, other than television motion pictures made for basic cable; and

¹ In the case of one-half hour and one (1) hour television motion pictures, up to one (1) stand-in per call is not to be counted against the maximum number of "covered" background actors.

~~“(2) to the first fifty-three (53) fifty-seven (57) background actors (fifty-five (55) background actors effective June 10, 2010) (excluding swimmers, skaters and dancers, but including stand-ins) employed each day on theatrical motion pictures.”~~

11. Dancers

Modify the first sentence of Section 6.B. of Schedule J of the SAG Codified Basic Agreement to read as follows:

“B. The compensation payable to a dancer for a hazardous activity shall be ~~\$85~~ \$100 per day, with a minimum of ~~\$110~~ \$125 if only one (1) day's services is rendered.”

12. Casting Performers With Disabilities

Add a new paragraph (6) to Section 26.C. of the General Provisions of the Codified Basic Agreement and a new paragraph (7) to Section 59(c) of the Television Agreement to read as follows:

“The parties agree to create a Task Force comprised of performers with disabilities, senior level union staff representatives and Producers’ representatives, including casting executives and labor relations executives, to develop ways to: (a) promote awareness of the available resources at SAG, AFTRA and other advocacy groups to search for and recruit performers with disabilities for auditions for both descript and non-descript roles; and (b) improve access to casting opportunities for performers with disabilities. The Task Force will meet within 120 days after the effective date of this Agreement and not less than semi-annually thereafter for the term of this Agreement.”

13. Non-Discrimination Policy

Revise Section 26.A.(1) of the General Provisions of the SAG Codified Basic Agreement, Section 44(a) of Schedule X, Part I of the SAG Codified Basic Agreement, Section 45.A. of Schedule X, Part II of the SAG Codified Basic Agreement, and Section 59(a)(1) of the SAG Television Agreement to read as follows:

“The parties hereto reaffirm their commitment: (a) to a policy of non-discrimination and fair employment in connection with the engagement and treatment of performers on the basis of sex, race, color, creed, national origin, age, marital status, disability, ~~or~~ sexual orientation or gender identity, in accordance with applicable state and federal law; and (b) to continue the active promotion of diversity, as set forth herein, in all categories of employment covered by this Agreement.”

14. Script Breakdowns

Revise Section 26.A.(6)(c) of the General Provisions of the SAG Codified Basic Agreement and Section 59(a)(6)(c) of the SAG Television Agreement to read as follows:

“Producer shall include the following statement in script breakdowns circulated by Producer to agents:

“Producer is committed to diverse, inclusive casting. Submissions for non-descript roles will be accepted for all performers, regardless of age, sex, ethnicity, ~~or~~ disability, race, color, national origin, sexual orientation or gender identity.”

15. Tri-Guild Audit

The parties agree to renew the Unpublished Sideletter re Gross Receipts Residuals Payment Monitoring Fund for the term of the SAG Codified Basic Agreement and the SAG Television Agreement. The dates in subparagraph (1) of the Sideletter shall be changed to July 1, 2011, July 1, 2012 and July 1, 2013, respectively; and the date in subparagraph (3) shall be changed to July 1, 2011, except that in the case of the WGA, "May 2, 2011" shall be substituted for July 1, 2011. The renewal of this Sideletter is contingent on the DGA reaching agreement no later than June 30, 2011 and the WGA reaching agreement no later than May 1, 2011 on comparable terms consistent with the terms of past Sideletter renewals, including the obligation of each of the DGA and the WGA to contribute to the cost of audits in the amount of \$37,000 per year during the term of the Agreement and to expand the settlement of potential claims for royalty distributions from the Copyright Royalty Tribunal to motion pictures produced through the expiration date of the successor collective bargaining agreements to the collective bargaining agreements in effect as of July 1, 2011 (May 2, 2011 in the case of WGA).

16. Availability of Sides for Visually Impaired/Blind Performers

Following negotiations, the parties agree to explore ways for visually-impaired performers to receive sides on a timely basis so as to enable them to participate in the audition process.

17. Expansion of Los Angeles Studio Zone

Modify Section 32.F.(1) of Schedule A and the corresponding provisions of the other Schedules (see Schedule B, Section 44.B.; Schedule C, Section 41.B.; Schedule E, Section 32.B.; Schedule K, Part I, Section 22.E. (substitute "stunt coordinator" for "performer"); and Schedule K, Part II, Section 27.B. (substitute "stunt coordinator" for "performer")) of the SAG Codified Basic Agreement to read as follows:

"With respect to studios situated in Los Angeles, California, or its environs, the "studio zone" shall include all territory within the radius of thirty (30) miles from the intersection of Beverly Boulevard and La Cienega Boulevard, Los Angeles, California, and shall also include Agua Dulce, Castaic (including Lake Castaic), Leo Carillo State Beach, Moorpark, Ontario International Airport, Piru and Pomona (including the Los Angeles County Fairgrounds) and such other territory (such as the present Columbia Ranch and Disney Ranch) as is generally recognized as being within the studio zone. With respect to studios not situated in Los Angeles or its environs, a similar territory as the studio zone and similar rules in relation thereto shall be agreed upon between the Union and the Producers, and in default of such agreement, such territory and such rules (which shall conform as nearly as possible to the rules herein set forth) shall be determined by arbitration under Section 9 of the General Provisions whenever the situation arises. Producer shall grant reasonable requests for hotel accommodations received from performers who are required to report for work at a location in Agua Dulce, Castaic (including Lake Castaic), Leo Carillo State Beach, Moorpark, Ontario International Airport, Piru and Pomona (including the Los Angeles County Fairgrounds) that is more than four (4) miles from the perimeter of the thirty-mile zone."

Modify Section 31 of Schedule X, Part I of the SAG Codified Basic Agreement to read as follows:

"The "Studio Zone" within the Los Angeles Background Actor Zone shall be the area within a circle thirty (30) miles in radius from the intersection of Beverly Boulevard and La Cienega Boulevard, Los Angeles, California, and shall also include Agua Dulce, Castaic (including Lake Castaic), Leo Carillo State Beach, Moorpark, Ontario International Airport, Piru and Pomona (including the Los Angeles County Fairgrounds). The Metro-Goldwyn-Mayer, Inc. Conejo Ranch property shall be considered as within the studio zone. See Exhibit "G" attached."

"Producer shall grant reasonable requests for hotel accommodations received from background actors who are required to report for work at a location in Agua Dulce, Castaic (including Lake

Castaic), Leo Carillo State Beach, Moorpark, Ontario International Airport, Piru and Pomona (including the Los Angeles County Fairgrounds) that is more than four (4) miles from the perimeter of the thirty-mile zone."

18. 10-Mile Los Angeles Reporting Zone

Modify Section 32.F.(3)(a) of Schedule A of the SAG Codified Basic Agreement to read as follows:

"Performers may be required to report anywhere within such studio zone, provided that, when the place of reporting is somewhere other ~~elsewhere~~ than the Producer's studio, the following shall apply:

"(a) Performers shall be paid \$.30 per mile mileage allowance figured from the studio to the place of reporting and back, except that no mileage allowance is required if the performer is ~~employed on a one (1) hour episodic television series (other than one first broadcast prior to July 1, 2001), or a one-half (1/2) hour or one (1) hour pilot, or is employed on a theatrical motion picture,~~ and is required to report for work at a site within a ten (10) mile radius of a point designated by the Producer. (The reporting site must still be within the thirty (30) mile zone.) Producer shall give prior notice to the Union of the point so designated. With respect to any television series, such point may be changed by Producer at the beginning of each season. Commencing outside the ten (10) mile radius, a mileage allowance will be paid as provided above. The Union will not unreasonably refuse a request from the Producer that performer report to a location which is a reasonable distance beyond the Los Angeles thirty (30) mile zone."

Make the same change to the corresponding provisions of the other Schedules (see Schedule B, Section 44.B.(3)(a); Schedule C, Section 41.B.(3)(a); Schedule E, Section 32.B.(3)(a); Schedule K, Part I, Section 22.E.(3)(a) (substitute "stunt coordinator" for "performer"); and Schedule K, Part II, Section 27.B.(3)(a) (substitute "stunt coordinator" for "performer")) of the SAG Codified Basic Agreement. Make conforming changes to Section 56(b)(1) of the SAG Television Agreement.

19. Use of Promotional Clips in New Media

Modify Paragraphs 3.C.(1)(d)(iii) and 3.C.(2)(c)(ii) of the Sideletter Re New Media Reuse to read as follows:

"For Reuse on "Consumer Pay" Platforms

"If photography or sound track from a theatrical or television motion picture is used on a "consumer pay" platform, ~~whether to "promote" the picture or series or not,~~ the Producer shall pay 3.6% of "Distributor's gross" for such use, except when the excerpt is used for one of the promotional purposes set forth in Paragraphs 3.B.(1) through (4) above and meets the length limitations in Paragraph 3.A. above. This formula shall apply to a "hybrid" use where the consumer pays for the photography or sound track and advertising revenues are also derived by the Producer from such use. Such revenues shall be incorporated in "Distributor's gross.""

20. Expedited Consent Process for Reuse of Photography or Sound Track

Following negotiations, the parties agree to form a committee to finalize a streamlined and expedited process for obtaining the general consent of performers to the non-promotional use in New Media of photography or sound track from library product.

21. New Media Inspections

Modify Paragraph 4.B. of the *Sideletter Re New Media Reuse* to change the frequency of New Media inspections from a quarterly to semi-annual basis.

22. New Media Reporting

Modify Paragraph 4.C. of the *Sideletter Re New Media Reuse* to provide that the Guild and each Producer shall discuss and agree upon a method of making available to the Guild the information described therein.

23. Airline Travel

- a. *Modify the following sentence in Section 27 of the General Provisions of the SAG Codified Basic Agreement to read:*

~~"First class t~~Transportation ~~shall be provided and reasonable expenses shall be paid to all performers on tours and personal appearances in accordance with the terms of Section 35.D. of the General Provisions and the applicable Schedules; reasonable expenses shall be paid to all performers on tours and personal appearances.~~

Modify the following sentence in Section 23.C. of Schedule E, and Section 13.B. of Schedule F to read:

~~"First class t~~Transportation ~~shall be provided and reasonable expenses shall be paid to all performers on tours and personal appearances in accordance with the terms of Section 35.D. of the General Provisions and this Schedule; reasonable expenses shall be paid to all performers on tours and personal appearances.~~

Modify Section 38(c) of the SAG Television Agreement to read:

~~"(c) First class t~~Transportation ~~shall be provided and reasonable expenses shall be paid to all performers on tours and personal appearances in accordance with the terms of Section 35.D. of the General Provisions of the Producer-Screen Actors Guild Codified Basic Agreement and the applicable Schedules; reasonable expenses shall be paid to all performers on tours and personal appearances."~~

- b. *Modify Section 35.D. of the General Provisions of the SAG Codified Basic Agreement to read:*

~~"D. First-Class-Transportation~~

~~"Whenever referred to in this Agreement, transportation shall mean first-class transportation, when available.~~

~~"First class Business class transportation shall be provided on commercial airlines when the performer is required to fly at the request of the Producer, except that coach class air travel shall be permissible in the following circumstances: (1) for domestic flights that are less than 1,000 airline miles when the flight is non-stop from the departure point to the final destination; (2) for non-stop flights between Los Angeles and Vancouver; (3) for non-stop flights that are less than 1,000 miles between the United States and Vancouver or between the United States and Toronto; (4) if a substantial number of the company is being transported; (5) if six or more performers travel together in the same class on the same flight; or (6) for auditions and interviews. The foregoing shall apply to jet flights as well as to prop-driven aircraft. Charter flights may be used which provide substantially equivalent accommodations. If six (6) or more performers travel together on the same flight and in the same class on jet flights, the coach class for such performers shall be deemed to be first-class transportation. This provision does not include "economy" flights. Notwithstanding the foregoing, first-class air transportation need not be provided with respect to auditions and interviews.~~

"When the Producer requires the performer to travel by coach class, Producer shall provide elevated coach class travel (e.g., Economy Plus, Extended Leg Room, etc.) when available. Performers who travel by coach class shall be reimbursed by Producer for baggage fees and costs of in-flight meals, provided that the performer submits to the Producer a request for reimbursement with appropriate receipts within thirty (30) days after the flight.

"If a performer covered under this Agreement would be required to travel in coach class, but another employee employed on the same production by the same Producer is traveling on the same flight and the other employee is entitled to travel in a higher class of transportation pursuant to the minimum terms of the collective bargaining agreement under which he/she is employed, then the performer covered under this Agreement shall be upgraded to the same class of transportation as is afforded to the other employee. The foregoing shall not apply when the travel is pursuant to subsections (4), (5) or (6) of the preceding paragraph of this Section 35.D.

"If business class transportation is not available and coach class travel is not permissible as described above, then the Producer shall provide first class transportation to the performer."

- c. *Delete the words "first-class" from the phrase "first-class plane accommodations" in Schedule A, Section 10.D.(4); Schedule B, Section 14.D.(4); Schedule C, Section 14.D.(4); Schedule E, Section 12.D.(4); Schedule F., Section 9.D.(4); Schedule K, Part I, Section 8.A.(2); Schedule K, Part II, Section 10.A.(2); and Schedule K, Part III, Section 7.A.(2) of the SAG Codified Basic Agreement.*
- d. *Delete the following sentence from Schedule A, Section 32.E. (and Schedule B, Section 44.T.; Schedule C, Section 41.T.; and Schedule K, Part II, Section 27.T.) of the SAG Codified Basic Agreement:*

"Transportation shall mean first-class transportation."

- e. *Modify the following paragraph in Schedule A, Section 32.W.(2) (and make conforming changes to Schedule B, Section 44.V.(2); Schedule C, Section 41.V.(2); Schedule E, Section 32.U.(2); Schedule K, Part I, Section 22.V. (substitute "Section" for "subparagraph (2)"); Schedule K, Part II, Section 27.V.(1) (substitute "Section" for "subparagraph (2)")):*

"(2) Transportation for Travel Other Than by Air

"First class transportation shall be provided for travel other than by air. For this purpose, "first class transportation" is synonymous with "reasonable transportation." ~~This Agreement uses the expressions "reasonable transportation" and "first-class transportation." The terms are intended to be synonymous.~~ The type of transportation required by this paragraph can best be illustrated by examples: Bus transportation for a relatively short distance (Hollywood to Lake Arrowhead) meets these requirements; bus transportation for a long distance (Hollywood to San Francisco) does not. Pullman accommodations to San Francisco, or any other long distance, meet these requirements; deluxe transportation (e.g., Super Chief) is not required. ~~Transportation on a commercial airline without sleeper accommodations is first-class transportation. First-class transportation shall be provided on commercial airlines when the performer is required to fly at the request of the Producer. The foregoing shall apply to jet flights as well as to prop-driven aircraft. The foregoing shall not apply when first-class transportation is not available or six (6) or more of the company are being transported. Charter flights may be used which provide substantially equivalent accommodations. Notwithstanding the foregoing, first-class air transportation need not be provided with respect to auditions and interviews.~~

- f. *Substitute the following for the first two paragraphs of Schedule X, Part I, Section 38:*

"38. TRAVELING EXPENSES, AIR TRAVEL AND ACCOMMODATIONS

"The background actor's necessary traveling expenses, meals and lodging shall be made available at the Producer's expense. The Producer shall furnish ~~first class transportation to and from overnight locations with~~ first class sleeping accommodations at overnight locations. The Producer shall furnish any required air travel to and from overnight locations as follows:

"Business class transportation shall be provided on commercial airlines when the background actor is required to fly at the request of the Producer, except that coach class air travel shall be permissible in the following circumstances: (1) for domestic flights that are less than 1,000 airline miles when the flight is non-stop from the departure point to the final destination; (2) for non-stop flights between Los Angeles and Vancouver; (3) for non-stop flights that are less than 1,000 miles between the United States and Vancouver or between the United States and Toronto. The foregoing shall apply to jet flights as well as to prop-driven aircraft. Charter flights may be used which provide substantially equivalent accommodations.

"When the Producer requires the background actor to travel by coach class, Producer shall provide elevated coach class travel (e.g., Economy Plus, Extended Leg Room, etc.) when available. Background actors who travel by coach class shall be reimbursed by Producer for baggage fees and costs of in-flight meals, provided that the background actor submits to the Producer a request for reimbursement with appropriate receipts within thirty (30) days after the flight.

"If a background actor covered under this Agreement would be required to travel in coach class, but another employee employed on the same production by the same Producer is traveling on the same flight and the other employee is entitled to travel in a higher class of transportation pursuant to the minimum terms of the collective bargaining agreement under which he/she is employed, then the background actor covered under this Agreement shall be upgraded to the same class of transportation as is afforded to the other employee.

"If business class transportation is not available and coach class travel is not permissible as described above, then the Producer shall provide first class transportation to the background actor.

"If first class transportation and accommodations are not available for reasons beyond the Producer's control, the Producer shall furnish the next best available class and promptly notify the Union and the background actor what arrangements have been made."

- g. *Modify the first paragraph of Schedule X, Part II, Section 39 as follows:*

"39. TRAVELING EXPENSES, AIR TRAVEL AND ACCOMMODATIONS

"The background actor's necessary traveling expenses, meals and lodging shall be made available at the Producer's expense. The Producer shall furnish ~~first class transportation to and from overnight locations with~~ first class sleeping accommodations at overnight locations. The Producer shall furnish any required air travel to and from overnight locations as follows:

"Business class transportation shall be provided on commercial airlines when the background actor is required to fly at the request of the Producer, except that coach class air travel shall be permissible in the following circumstances: (1) for domestic flights that are less than 1,000 airline miles when the flight is non-stop from the departure point to the final destination; (2) for non-stop flights between Los Angeles and Vancouver; (3) for non-stop flights that are less than 1,000 miles between the United States and Vancouver or between the United States and Toronto. The foregoing shall apply to jet flights as well as to prop-driven aircraft. Charter flights may be used which provide substantially equivalent accommodations.

"When the Producer requires the background actor to travel by coach class, Producer shall provide elevated coach class travel (e.g., Economy Plus, Extended Leg Room, etc.) when available. Background actors who travel by coach class shall be reimbursed by Producer for baggage fees and costs of in-flight meals, provided that the background actor submits to the Producer a request for reimbursement with appropriate receipts within thirty (30) days after the flight.

"If a background actor covered under this Agreement would be required to travel in coach class, but another employee employed on the same production by the same Producer is traveling on the same flight and the other employee is entitled to travel in a higher class of transportation pursuant to the minimum terms of the collective bargaining agreement under which he/she is employed, then the background actor covered under this Agreement shall be upgraded to the same class of transportation as is afforded to the other employee.

"If business class transportation is not available and coach class travel is not permissible as described above, then the Producer shall provide first class transportation to the background actor.

"If first class transportation and accommodations are not available for reasons beyond the Producer's control, the Producer shall furnish the next best available class and promptly notify the Union and the background actor what arrangements have been made."

h. *Modify Section 56(a) of the SAG Television Agreement as follows:*

~~"(a) First-class~~Business class transportation shall be provided on commercial airlines when the performer is required to fly at the request of the Producer, except that coach class air travel shall be permissible in the following circumstances: (i) for domestic flights that are less than 1,000 airline miles when the flight is non-stop from the departure point to the final destination; (ii) for non-stop flights between Los Angeles and Vancouver; (iii) for non-stop flights that are less than 1,000 airline miles between the United States and Vancouver or between the United States and Toronto; (iv) if six or more performers travel together in the same class on the same flight; or (v) for auditions and interviews. The foregoing shall apply to jet flights as well as to prop-driven aircraft. ~~The foregoing shall not apply when first class transportation is not available or if six (6) or more performers travel together on the same flight and in the coach class on jet flights. Coach class does not include "economy class;" however, short flights commonly known as "commuter" flights are acceptable.~~ Charter flights may be used which provide substantially equivalent accommodations. ~~Notwithstanding the foregoing, first class air transportation need not be provided with respect to auditions and interviews.~~

"When the Producer requires the performer to travel by coach class, Producer shall provide elevated coach class travel (e.g., Economy Plus, Extended Leg Room, etc.) when available. Performers who travel by coach class shall be reimbursed by Producer for baggage fees and costs of in-flight meals, provided that the performer submits to the

Producer a request for reimbursement with appropriate receipts within thirty (30) days after the flight.

"If a performer covered under this Agreement would be required to travel in coach class, but another employee employed on the same production by the same Producer is traveling on the same flight and the other employee is entitled to travel in a higher class of transportation pursuant to the minimum terms of the collective bargaining agreement under which he/she is employed, then the performer covered under this Agreement shall be upgraded to the same class of transportation as is afforded to the other employee. The foregoing shall not apply when the travel is pursuant to subsections (iv), (v) or (vi) of the first paragraph of this Section 35.D.

"If business class transportation is not available and coach class travel is not permissible as described above, then the Producer shall provide first class transportation to the performer. The foregoing shall not apply when first class travel is not available."

24. Renewal of Expiring Clauses

a. Renew the following provisions in the SAG Codified Basic Agreement:

- 1) Schedule A, Section 32.F.(2) (Travel Time – Rules and Definitions, Studio Zone (New York))
- 2) Schedule B, Section 44.B.(2) (Travel Time, Studio Zone (New York))
- 3) Schedule C, Section 41.B.(2) (Travel Time, Studio Zone (New York))
- 4) Schedule E, Section 32.B.(2) (Travel Time, Studio Zone (New York))
- 5) Schedule K, Part I, Section 22.E.(2) (Travel Time – Rules and Definitions, Studio Zone (New York))
- 6) Schedule K, Part II, Section 27.B.(2) (Travel Time, Studio Zone (New York))
- 7) *Sideletter Re Exhibition of Motion Pictures Transmitted Via New Media* (subject to the modifications in Items 19, 20, 21, 22)
- 8) *Sideletter Re Programs Made For New Media* (subject to the modifications in Item 8 above)

b. Renew the following provisions in the SAG Television Agreement:

- 1) Section 19(c)(5) (Additional Compensation For Theatrical Rights - Special Residual Provisions for Long-Form Television Motion Pictures)
- 2) Sideletter B-2 (Sideletter to Section 18(b)(2)c) - Experiment in Syndication of Half-Hour Series in Markets Representing 50% or Fewer of U.S. Television Households)
- 3) Sideletter K (Special Conditions for Pilots, Presentations and New Series) (as modified by Item 4 above)
- 4) *Sideletter Re Exhibition of Motion Pictures Transmitted Via New Media* (subject to the modifications in Items 19, 20, 21, 22)
- 5) *Sideletter Re Programs Made For New Media* (subject to the modifications in Item 8 above)

25. **Program Interruptions**

Revise Paragraph (9) of Section 18(b) in the SAG Television Agreement to read as follows:

"(9) Notwithstanding anything herein to the contrary, if a substantial portion of a program or an element essential to the program is not shown because the program broadcast is interrupted due to governmental regulation or order, or by a strike, or by the failure of broadcasting program transmission facilities because of war or other calamity such as fire, earthquake, hurricane, or similar acts of God, or because of the breakdown of broadcasting program transmission facilities due to causes beyond the reasonable control of the Producer, or because the program time is pre-empted by a Presidential broadcast, a news emergency, or the telecast of a special news event, the interrupted program may be re-exhibited ~~rebroadcast~~ in its entirety on the service network or station on which the exhibition broadcast was interrupted within a thirty (30) day period following the interrupted exhibition broadcast without the Producer incurring any additional payment to any performer(s) in the program.

~~"Notwithstanding the foregoing, this provision shall cease to be in effect as of the last day of this Agreement."~~